



Tourism Committee

Tuesday, February 7, 2006

1:15 PM - 3:15 PM

306 HOB

**Allan G. Bense
Speaker**

**Rep. Nancy Detert
Chair**

TOURISM COMMITTEE

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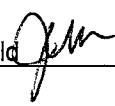
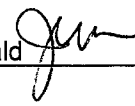
- I. **1:15 pm Call to Order**
- II. **Remarks by Chairman**
- III. **Consideration of the following Proposed Committee Bill:**
 - PCB TURS 06-01 – Department of State
- IV. **Presentation by the Florida Bowl Coalition:**
 - Keyna Cory
 Public Affairs Consultants
 - Robert Leverock
 Toyota Gator Bowl
 - Mike Schulze
 Outback Bowl
 - Steve Hogan
 Florida Citrus Sports (Capital One Bowl and the Champs Sports Bowl)
 - Phillip Rich
 FedEx Orange Bowl
 - Keyna Cory
- V. **Presentation by the Office of Program Policy Analysis and Government Accountability (OPPAGA) on the following report:**
 - *Division of Hotels and Restaurants Improves Operations But Not Meeting Inspection Goals, Report No. 05-51, November 2005*
 Linda Vaughn, Senior Legislative Analyst
- VI. **Comments by the Division of Hotels and Restaurants, Department of Business and Professional Regulation:**
 - Geoff Luebkeermann, Director
- VII. **3:15 pm ADJOURN**

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCB TURS 06-01
SPONSOR(S): Tourism Committee
TIED BILLS:

Department of State

IDEN./SIM. BILLS:

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
Orig. Comm.: Tourism Committee		McDonald 	McDonald 
1)			
2)			
3)			
4)			
5)			

SUMMARY ANALYSIS

Prior to 1988, funding for cultural and historical grants programs came primarily from General Revenue and a small percentage from federal grants. From 1988 through 1995, changes were made in law that increased the number of grant programs, as well as those that would receive funding from the Corporations Trust Fund in the Department of State. On October 1, 2001, an additional \$2 million was authorized for cultural grants based on revenues collected through the processing of judgment liens under s. 55.209, F.S. Chapter 2003-401, Laws of Florida, repealed the Corporations Trust Fund and directed all of the funds be deposited into General Revenue. Beginning in FY 2003-04, grants again have been funded primarily from General Revenue.

The bill amends the requirement in s. 15.09 (4), F.S., that all funds collected by the Division of Corporations be deposited in the General Revenue Fund to require certain reinstatement fees, late fees, and penalties be deposited into the Florida Fine Arts Trust Fund to fund cultural program grants, historic preservation matching grants, and historical museum grants. Additionally, the bill provides that any funds deposited that are above the amounts specified for the cultural, historic preservation, and historical museum grants will be used to fund the Cultural Endowment Program. If funds should fall below the amount specified to fund the cultural, historic preservation, and historical museum grants, the amount of funds available will be reduced proportionally. Specifically, the bill provides a dedicated funding source with the amount of monies to be provided to the various categories of grants as follows:

- \$2 million for the purpose of funding historic preservation matching grants under s. 267.0617, F.S.
- \$1.75 million for the purpose of funding historical museum grants under s. 267.0619, F.S.
- \$14.3 million for the purpose of funding cultural grants under ss. 265.286, 265.2861, 265.608, and 265.609, F.S.
- Any remaining funds will be used to provide state matching funds for the Cultural Endowment Program under ss. 265.601-265.606, F.S.

The bill will reduce the amount of funding being deposited into General Revenue by an estimated \$21.85 million. See the funding source analysis on page 5 and comments in the Fiscal Analysis.

The bill amends provisions relating to cultural endowments to remove an audit requirement to conform to Single Audit Act requirements, to amend conditions for the return of the state portion of the endowment, and to use the returned funds to fund other cultural endowments in lieu of reverting to General Revenue. The bill also revises report and meeting dates for the Discovery of Florida Quincentennial Commemoration Commission.

The effective date of the bill is July 1, 2006.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

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DATE: 2/3/2006

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

This bill does not appear to implicate any of the House Principles.

B. EFFECT OF PROPOSED CHANGES:

Present Situation

Department of State Cultural and Historical Grants:

Cultural Grants

The Division of Cultural Affairs in the Department of State is responsible for managing Florida's cultural grant programs. The division is assisted in carrying out its duties by advisory groups. The Florida Arts Council, a 15-member advisory board appointed by the Governor, President of the Senate, and Speaker of the House of Representatives, advises the Secretary of State on the distribution of grant awards. The Secretary appoints "Grant Review Panels," composed of artists, arts-related professionals and community cultural leaders, to evaluate requests for funds and make recommendations to the Florida Arts Council. The grants can be divided into fixed capital grants, often referred to as the "list", and program grants.

The fixed capital programs consist of the cultural facilities grants under s. 265.701, F.S., and the regional cultural facilities grants under s. 265.702, F.S.

Another list program that is not fixed capital is the Cultural Endowment Program, under ss. 265.601-265.606, F.S., which provides a state match of \$240,000 to a qualifying organization with a match of \$360,000 for the establishment of an endowment, the interest from which is to be used for operation costs. Currently, 32 qualified organizations are on a waiting list for the Cultural Endowment Program.

All other grants are program grants governed by ss. 265.286, 265.2861, 265.608, and 265.609, F.S. These program grants are briefly described below:

International Cultural Exchange (s. 265.286, F.S.) – Provides assistance for international cultural exchange projects of outstanding artistic and cultural merit.

Challenge Grant Program (s. 265.286, F.S.) – Supports significant projects designed as a new initiative, or a program of an innovative or unique nature and is not intended for continuation programming.

Statewide Arts Grants (s. 265.2861, F.S.) – *Quarterly Assistance Grants* promote professional development for arts organizations within five specified funding categories. *Underserved Arts Communities Assistance Grants* foster the development of arts organizations that are considered underserved in terms of their rural geography, minority composition, or lack of access to arts information or other program-based resources. *Discipline-based Arts Grants (dance, folk arts, interdisciplinary, literature, media arts, multidisciplinary, music, sponsor/presenter, theater, and visual arts)* foster excellence and diversity in the arts for all Floridians. Through general program support and specific grants, the program is dedicated to funding not-for-profit proposals that promote excellence in the arts and make such excellence accessible for community-wide audiences. *Individual Artist Fellowships* recognize practicing, professional, creative Florida artists and provide support for those artists of exceptional talent and demonstrated ability to improve their artistic skills and advance their careers.

Arts in Education Grant (s. 265.2861, F.S.) – Makes life-long learning and quality educational opportunities in the visual, performing, and literary arts available for Florida's citizens and visitors. Grants are offered under funding components such as Artists Residencies, Partnerships, and School-based Arts Education.

State Touring Grant (s. 265.2861, F.S.) – Brings the state's finest performing arts groups to as many Florida communities as possible by providing fee support to the presenters of touring companies selected. Priority consideration is given to presenters serving small counties.

Local Arts Agency/State Service Organization Grant (s. 265.2861, F.S.) – Provides general program support to assist in developing their services and programs for local communities or for disciplinary and special needs constituencies.

Cultural Institutions Program Grants (s. 265.2861, F.S.) – Recognizes Florida's cultural institutions that have displayed a sustained commitment to cultural excellence and have made superior cultural contributions to the state. Grants awarded consider sustained level of artistic/cultural excellence, fiscal stability, governance and management, programs and exhibitions, audience and community support, public outreach programs, and educational programs.

Science Museum Program (s. 265.608, F.S.) – Provides support to public or private nonprofit institutions operating for the primary purpose of sponsoring, producing, and exhibiting programs for the observation and study of various types of natural science and science technology.

Youth and Children's Museum Program (s. 265.609, F.S.) – Provides support to public or private nonprofit institutions operating for the primary purpose of sponsoring, producing, and exhibiting multidisciplinary, participatory programs oriented toward visitors ages 6 months through 15 years and their families, teachers and caregivers.

Historical Grants

The Division of Historical Resources in the Department of State is charged with encouraging identification, evaluation, protection, preservation, collection, conservation and interpretation of and public access to information about Florida's historic sites, properties and objects related to Florida history and to archaeological and folk cultural heritage. The responsibilities related to historic preservation are not only governed by state law but also by the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470). The division administers public information programs, the statewide historic preservation plan, the operation of historic sites and properties, and state and federal grants for historic preservation. Its duties also include the maintenance and operation of Florida's Folklife Program and administration of various archaeological research and preservation programs.

The Florida Historical Commission, appointed by the Governor, the President of the Senate, and the Speaker of the House of Representatives, performs very specific advisory duties related to historic preservation in the state and to the actions and activities of the division. The Commission is responsible for evaluating, making recommendations on, and placing in priority ranking proposals for awards of "special category historic preservation grants-in-aid" administered by the division. These are submitted to the Secretary of State for submission to the Governor and the Legislature. These particular fixed capital grants are to assist major archaeological excavations, large restoration projects at historic structures, and major museum exhibit projects involving the development and presentation of information on the history of Florida.

The Secretary of State appoints grant review panels, chaired by a member of the Florida Historical Commission or a designee appointed by the Commission's presiding officer, to review and rank other historic preservation grants-in-aid and historical museum grants.

A description of those types of grants follows:

Historic Preservation Grants (s. 267.0617, F.S.) – The grants program consists of three sub-categories: acquisition and development, survey and planning, and community education. The program assists and encourages the identification, excavation, protection, rehabilitation and public knowledge of historic and archaeological properties in the state. Federal funding augments the state funding provided for these grants.

Historical Museum Grants (s. 267.0619, F.S.) – The grants program provides funding for the development of education exhibits relating to the history of Florida and to assist Florida history museums with basic operational costs. There are two separate grants under this program:

a. *General Operating Support Museum Grants* – Underwrites technical, curatorial, administrative, and educational costs associated with daily management of museum facilities. Nonprofit Florida history museums that are not agencies of the state are eligible.

b. *Public Educational Exhibit Museum Grants* – Provides grants to support development and presentation of exhibitions through text, graphic, or audiovisual elements; artifacts; and educational components. Units of local government, departments or agencies of the state, and public or private profit or non-profit corporations, partnerships, or other organizations are eligible to apply for these grants.

Funding of Cultural and Historical Grants

Prior to 1988, funding for cultural and historical grants programs came primarily from General Revenue and a small percentage from federal grants. From 1988 through 1995, changes were made in law that increased the number of grant programs, as well as those that would receive funding from the Corporations Trust Fund in the Department of State. Dedicated sources from the Corporations Trust Fund were primarily from a \$10 fee on corporate annual reports, a portion of fees collected from fictitious name filings, and a transfer of penalty fees assessed on "foreign" corporations. On October 1, 2001, an additional \$2 million was authorized for cultural grants based on revenues collected through the processing of judgment liens under s. 55.209, F.S. The historical grants had specific provisions identifying amounts from the Corporations Trust Fund to be transferred to fund both the museum and preservation grants.

Chapter 2003-401, Laws of Florida, repealed the Corporations Trust Fund and directed all of the funds be deposited into the General Revenue Fund. No funds, therefore, were directed into the Cultural Institutions Trust Fund for funding of the grants programs in FY 2003-04. In 2004, the Legislature passed SB 976 which re-created the Cultural Institutions Trust Fund that was scheduled to repeal on November 4, 2004. On June 23, 2004, the bill was vetoed by the Governor.

Prior to the repeal of the Corporations Trust Fund, the appropriations for the grants for FY 2002-03 was approximately \$18.1 million. Since the repeal of the Trust Fund, funds have been appropriated from the General Revenue Fund and associated federal funds for the grants for FYs 2003-04, 2004-05, and 2005-06. The total funding for grants for those years was approximately \$8.2 million, \$12.1 million, and \$16.2 million, respectively.¹

Proposed Funding Source for Cultural and Historical Grants

According to the Division of Corporations of the Department of State, the sections of law cited in the bill to be used as a funding source for grants affect the following that are collected by the Division of Corporations:

¹ The funding amounts do not include funding provided for the Florida Endowment for the Humanities. The FY 2002-03 amount also does not include \$500,000 that was provided for the Coconut Grove Playhouse.

- Reinstatement fee for for-profit corporations – s. 607.0122(13), F.S.
- All fees owed by for-profit corporations upon reinstatement (such as annual report fees) – s. 607.1422(1), F.S.
- Consequences for foreign corporations transacting business in the state prior to obtaining authorization – s. 607.1502(4), F.S.
- For-profit corporations annual report late fee – s. 607.193(2)(b), F.S.
- Consequences for foreign limited liability companies transacting business in the state prior to obtaining authorization – s. 608.502, F.S.
- Reinstatement fee for not-for-profit corporations – s. 617.0122(13), F.S.
- All fees owed by not-for-profit corporations upon reinstatement – s. 617.1422(1), F.S.
- Reinstatement of not-for-profit corporations chartered by a county that failed to file for reinstatement with the Department of State in 1992, includes reinstatement fee plus annual report fees back to 1992 – s. 617.1623(1), F.S.

These reinstatement fees, late fees, and penalties have generated the following amount of revenue from July 1, 1998 to June 30, 2005:

- FY 98-99 -- \$19,506,224.10
- FY 99-00 -- \$18,925,589.42
- FY 00-01 -- \$24,449,422.80
- FY 01-02 -- \$22,604,991.98
- FY 02-03 -- \$21,205,292.84
- FY 03-04 -- \$23,396,601.85
- FY 04-05 -- \$22,862,607.37

Beginning July 1, 2003, section 15.09 (4), F.S., required that all funds collected by the Division of Corporations be deposited in the General Revenue Fund.

Cultural Endowment Program (ss. 265.601 – 265.606, F.S.):

The Cultural Endowment Program, described above in the section on cultural grants, requires a qualifying organization to return the \$240,000 state match for the endowment if the organization ceases to exist, files for protection under federal bankruptcy, or willfully expends any portion of the endowment principal. Funds that are returned are required to revert to the General Revenue Fund. The Department of State has expressed concern that the criteria should be broadened to encompass other conditions under which the organization is no longer able to manage the endowment.

Section 265.606(4), F.S., requires the sponsoring organization to submit an annual audit explaining how endowment program funds were used and requires that the organization submit an annual postaudit of its financial accounts by an independent certified public accountant. The Department of State has expressed concern that the second audit requirement is in violation of the Florida Single Audit Act, s. 215.97, F.S., which requires a coordination of auditing efforts when entities are receiving funding from various state agencies. The law also refers to determinations for the primary agency of responsibility for audits. Determinations are based upon thresholds of funding.

Discovery of Florida Quincentennial Commemoration Commission:

In the 2004 Legislative Session, the Department of State and the Division of Historical Resources were given additional responsibilities through the creation of the Discovery of Florida Quincentennial Commemoration Commission which was placed within the department.² The purpose of the Commission is to plan and lead the commemoration of Juan Ponce de Leon's discovery of Florida. This is to be done through the development and implementation of a statewide master plan. The law

² See Chapter 2004-91, L.O.F.
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provides for appointment of a Commission and authorizes specific powers and duties relative to the development and implementation of the master plan. Special subcommittees are permitted and an advisory committee is required to assist the Commission in its responsibilities. The Commission must hold its initial meeting no later than January 2007 to organize and begin its work. By January 2008 an initial draft of the master plan must be submitted to the Governor, President of the Senate, and Speaker of the House of Representatives. The master plan must be completed by January 2009. Department and division responsibilities include, but are not limited to, establishment of a citizens support organization to assist in the development and implementation of the master plan and administrative support and consulting services. The responsibilities of the department were contingent upon appropriation. No funding was provided for responsibilities to organize the initial meeting of the Commission, to pay per diem and travel for members, nor to pay for any other administrative costs associated with the Commission.

Effects of Proposed Changes:

Funding of Cultural and Historical Grants

The bill amends the requirement in s. 15.09 (4), F.S., that all funds collected by the Division of Corporations be deposited in General Revenue, to require certain reinstatement fees, late fees, and penalties collected be deposited into the Florida Fine Arts Trust Fund to fund cultural program grants, historic preservation grants, and historical museum grants. Additionally, the bill provides that any funds deposited that are above the amounts specified for the cultural, historic preservation, and historical museum grants will be used to fund the Cultural Endowment Program. If funds should fall below the amount specified to fund the cultural, historic preservation, and historical museum grants, the amount of funds available will be reduced proportionally.

Specifically, the bill provides a dedicated funding source with the amount of monies to be provided to the various categories of grants as follows:

- \$2 million for funding historic preservation grants under s. 267.0617, F.S.
- \$1.75 million for funding historical museum grants under s. 267.0619, F.S.
- \$14.3 million for funding cultural grants under ss. 265.286, 265.2861, 265.608, and 265.609, F.S.
- Any remaining funds will be used to provide state matching funds for the Cultural Endowment Program under ss. 265.601-265.606, F.S..

The grant review and selection process is not changed by the bill.

Cultural Endowment Program

The bill removes the requirement for the submission to the Department of State of an annual postaudit by the local sponsoring organization. The deletion of this additional audit requirement removes potential costs that would be incurred by the department for the audit.

The bill broadens one of the criteria for reversion of the state funding portion of the endowment from ceasing operation to no longer being able to manage the endowment. Additionally, the bill provides that if the state portion of the endowment is returned, it will not revert to the General Revenue Fund. Instead the state portion will be used to fund the next organization on the Cultural Endowment Program priority list that has not previously received an endowment in the most current funding cycle.

Quincentennial Commemoration Commission

The bill also moves forward by one year the requirements for the first meeting of the Discovery of Florida Quincentennial Commemoration Commission, the initial draft of the master plan, and the submission of the master plan to the Legislature.³

C. SECTION DIRECTORY:

Section 1. Amends s. 15.09(4), F.S., relating to fees; providing an exception to the requirement that all funds collected by the Division of Corporations of the Department of State must be deposited in the General Revenue Fund; providing that certain reinstatement, late fees, and penalties collected be deposited in the Florida Fine Arts Trust Fund of the Department of State for the purpose of funding certain cultural grants, historical museum grants, and historic preservation matching grants at specified levels; providing that any additional funds be used to fund the Cultural Endowment Program; and, providing a procedure for funding specified programs, if proceeds collected fall below the amounts specified for disbursement according to the legislation.

Section 2. Amends s. 265.606, F.S., relating to the Cultural Endowment Program; deleting a requirement for a postaudit; revising reversion requirements for state funding portion of endowment.

Section 3. Amends s. 267.174, F.S., relating to the Discovery of Florida Quincentennial Commemoration Commission; revising dates.

Section 4. Provides an effective date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

For FY 06-07, the loss to General Revenue is expected to be (\$21.85) million in recurring funds.

2. Expenditures:

For FY 06-07, the recurring expenditures are estimated to be as follows:

Cultural Grants	\$14.30M
Historic Preservation Grants	\$ 2.00M
Historical Museum Grants	\$ 1.75M
Cultural Endowment	<u>\$ 3.80M</u>
TOTAL	\$21.85M

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

See "Fiscal Comments."

2. Expenditures:

See "Fiscal Comments."

³ Section 267.174, F.S., requires that the initial meeting of the Commission be no later than January 31, 2007, the initial draft of the master plan be submitted to the Legislature by January 2008, and the master plan be submitted by January 2009. The quincentennial celebration will not be until 2013.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

There would be a positive economic impact on the private sector, both the arts, museum, and historical grant recipients, as well as the businesses that could be impacted by increased visitation to and participation in cultural and historical programs.

D. FISCAL COMMENTS:

The estimates provided above are based upon an average of the seven years of collections for the categories of funding sources cited in the bill. The actual total dollar amount could be slightly more or less than the \$21.85 million projected. According to the Department of State, over the last seven years funds collected from the specified categories have been as follows: \$19,506,224.10 in FY 98-99; \$18,925,589.42 in FY 99-00; \$24,449,422.80 in FY 2000-01; \$22,604,991.98 in FY 01-02; \$21,205,292.84 in FY 02-03; \$23,396,601.85 in FY 03-04; and, \$22,862,607.37 in FY 04-05.

Prior to the repeal of the Corporations Trust Fund, the appropriations for the grants for FY 2002-03 was approximately \$18.1 million. Since the repeal of the Trust Fund, funds have been appropriated from the General Revenue Fund and associated federal funds for the grants for FYs 2003-04, 2004-05, and 2005-06. The total funding for grants for those years was approximately \$8.2 million, \$12.1 million, and \$16.2 million, respectively.

The provision of a dedicated source of revenue as provided by the bill will have a potential positive fiscal impact on local governments. Many local governments receive funding through the cultural and historical program grants to be funded through the bill for local cultural programs, museums, and historical programs.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This bill does not require counties or municipalities to take an action requiring the expenditure of funds, does not reduce the authority that counties or municipalities have to raise revenue in the aggregate, and does not reduce the percentage of state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None specified.

C. DRAFTING ISSUES OR OTHER COMMENTS:

There are two drafting errors noted in the proposed bill:

- The numbering of the sections of the bill is incorrect. Sections 4 and 5 should be sections 3 and 4, respectively.
- On line 53, the reference to the Cultural Institutions Trust Fund should be changed to the Florida Fine Arts Trust Fund.

Amendments have been prepared to correct the technical errors cited above.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES

PCB TURS 06-01

ORIGINAL

YEAR

1 A bill to be entitled

2 An act relating to the Department of State; amending s.
3 15.09, F.S.; providing for deposit of certain
4 reinstatement fees, late fees, and penalties collected by
5 the Division of Corporations of the Department of State
6 into the Florida Fine Arts Trust Fund rather than the
7 General Revenue Fund; providing for disbursement of such
8 revenues to fund cultural and historical preservation
9 grants and programs; amending s. 265.606, F.S.; deleting
10 requirement for local sponsoring organizations to submit
11 an annual postaudit to the Division of Cultural Affairs
12 under certain circumstances to conform with Single Audit
13 Act; providing for the reversion of state's matching share
14 of cultural endowment to Florida Fine Arts Trust Fund
15 rather than General Revenue Fund under certain
16 circumstances; providing for distribution of reverted
17 funds pursuant to the Cultural Endowment Program priority
18 list; amending s. 267.174, F.S.; changing dates for the
19 first meeting of the Discovery of Florida Quincentennial
20 Commemoration Commission, completion of the initial draft
21 of the master plan, and submission of the completed master
22 plan; providing an effective date.

23
24 Be It Enacted by the Legislature of the State of Florida:

25
26 Section 1. Subsection (4) of section 15.09, Florida
27 Statutes, is amended to read:

28 15.09 Fees.--

29 (4) (a) Except as provided in paragraph (b), all funds
30 collected by the Division of Corporations of the department shall

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ORIGINAL

YEAR

31 be deposited in the General Revenue Fund.

32 (b) All reinstatement fees, late fees, and penalties
33 collected pursuant to ss. 607.0122(13), 607.1422(1), 607.1502(4),
34 607.193(2)(b), 608.502, 617.0122(13), 617.1422(1), and
35 617.1623(1) shall be deposited in the Florida Fine Arts Trust
36 Fund and disbursed each fiscal year as follows:

37 1. The sum of \$2 million shall be transferred to the
38 Historical Resources Operating Trust Fund for the purpose of
39 funding historic preservation matching grants pursuant to s.
40 267.0617.

41 2. The sum of \$1.75 million shall be transferred to the
42 Historical Resources Operating Trust Fund for the purpose of
43 funding historical museum grants pursuant to s. 267.0619.

44 3. The sum of \$14.3 million shall be used for the purpose
45 of funding cultural grants as provided in ss. 265.286, 265.2861,
46 265.608, and 265.609.

47 4. Any remaining proceeds shall be used for the purpose of
48 providing state matching funds for the Cultural Endowment Program
49 as provided in s. 265.606.

50
51 If proceeds fall below the amounts required to be disbursed in
52 subparagraphs 1.-3., the spending authority provided in this
53 paragraph for the Cultural Institutions Trust Fund and the
54 Historical Resources Operating Trust Fund shall be reduced
55 proportionally.

56 Section 2. Subsections (4) and (5) of section 265.606,
57 Florida Statutes, are amended to read:

58 265.606 Cultural Endowment Program; administration;
59 qualifying criteria; matching fund program levels; distribution.-

60 -

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61 (4) Once the secretary has determined that the sponsoring
62 organization has complied with the criteria imposed by this
63 section, he or she may authorize the transfer of the appropriate
64 state matching funds to the organization. However, the secretary
65 shall ensure that the local group has made prudent arrangements
66 for the trusteeship of the entire endowment, and such trusteeship
67 is hereby created. The sponsoring organization may then expend
68 moneys in the endowment program fund, subject to the following
69 requirements:

70 (a) The organization may expend funds only for operating
71 costs incurred while engaged in programs directly related to
72 cultural activities.

73 (b) The organization shall annually submit a report to the
74 division, in such form as the division specifies, explaining how
75 endowment program funds were utilized.

76 ~~(c) Any contract administered under this section shall~~
77 ~~require the local sponsoring organization to submit to the~~
78 ~~division an annual postaudit of its financial accounts conducted~~
79 ~~by an independent certified public accountant.~~

80 (5) The \$240,000 state matching fund endowment for each
81 individual endowment shall revert to the Florida Fine Arts Trust
82 Fund and shall be awarded to the first organization on the
83 Cultural Endowment Program priority list pursuant to subsection
84 (6), that has not previously received a cultural endowment in the
85 most current fiscal year funding cycle, General Revenue Fund if
86 any of the following events occurs:

87 (a) The recipient sponsoring organization is no longer able
88 to manage an endowment ceases operations.

89 (b) The recipient sponsoring organization files for
90 protection under federal bankruptcy provisions.

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(c) The recipient sponsoring organization willfully expends a portion of the endowment principal of any individual endowment.

Section 4. Paragraph (d) of subsection (5) and paragraph (c) of subsection (7) of section 267.174, Florida Statutes, are amended to read:

267.174 Discovery of Florida Quincentennial Commemoration Commission.--

(5) OFFICERS; BYLAWS; MEETINGS.--

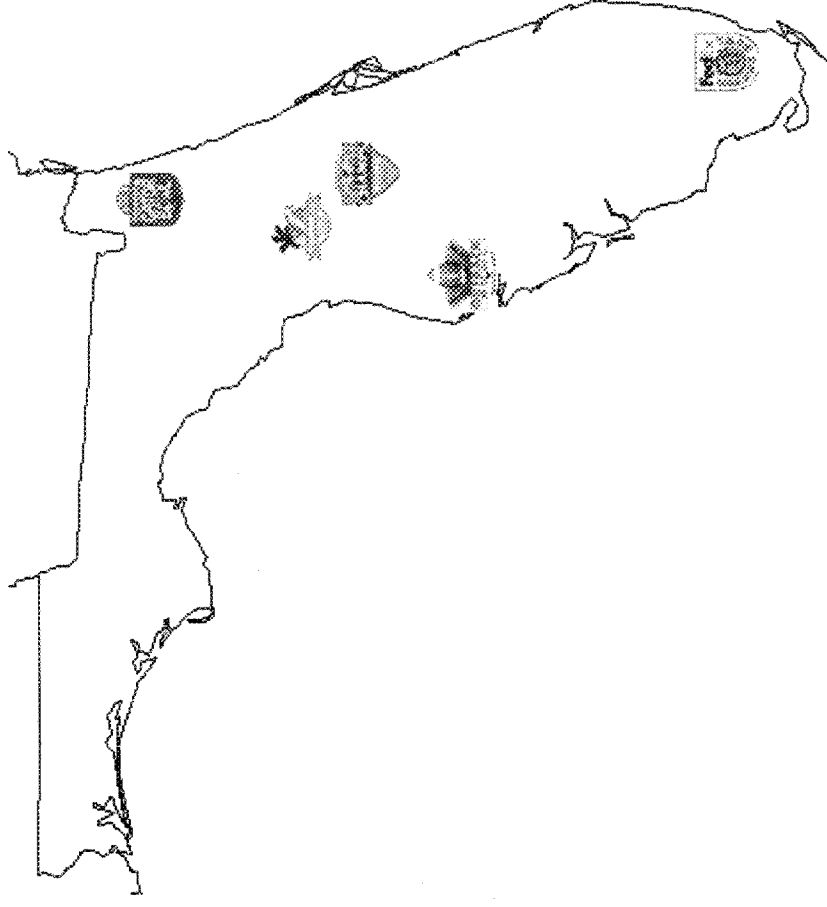
(d) The initial meeting of the commission shall be held no later than July 31, 2008 ~~January 31, 2007~~. Subsequent meetings shall be held upon the call of the chair or vice chair acting in the absence of the chair, and in accordance with the commission's bylaws.

(7) DUTIES; MASTER PLAN.--

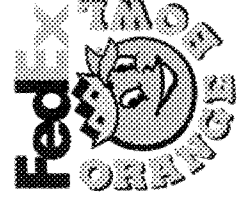
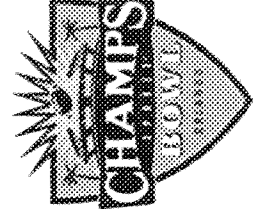
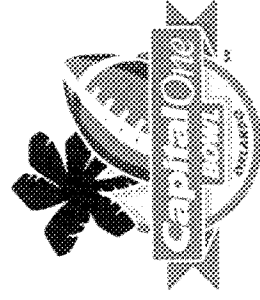
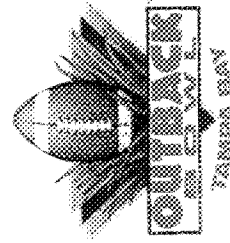
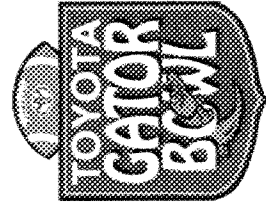
(c) The commission shall establish a timetable and budget for completion for all parts of the master plan which shall be made a part of the plan. An initial draft of the plan shall be completed and submitted to the Governor, the President of the Senate, the Speaker of the House of Representatives, and the Secretary of State by May 2009 ~~January 2008~~ with the completed master plan submitted to such officials by May 2010 ~~January 2009~~.

Section 5. This act shall take effect July 1, 2006.

The Florida Bowl Games



Presentation for the
House Committee
On Tourism



Bowl Games Across the Nation - 2006

FLORIDA

Capital One Bowl -- Orlando
FedEx Orange Bowl -- Miami
Gator Bowl Classic -- Jacksonville
Outback Bowl -- Tampa
Champs Sports Bowl -- Orlando

CALIFORNIA

Emerald Bowl -- San Francisco
Pacific Life Holiday Bowl -- San Diego
Rose Bowl -- Pasadena
Poinsettia Bowl -- San Diego

ARIZONA

Insight Bowl - Tempe
Tostitos Fiesta Bowl - Tempe

ALABAMA

GMAC Bowl - Mobile

HAWAII

Sheraton Hawaii Bowl - Honolulu

MICHIGAN

Motor City Bowl -- Detroit

NORTH CAROLINA

Meineke Car Care Bowl - Charlotte

TEXAS

EV1.net Houston Bowl - Houston
MasterCard Alamodome Bowl -- San Antonio
PlainsCapital Fort Worth Bowl -- Ft. Worth
SBC Cotton Bowl - Dallas
Vitalis Sun Bowl -- El Paso

LOUISIANA

Independence Bowl - Shreveport
Nokia Sugar Bowl -- New Orleans
Wyndham New Orleans Bowl -- New Orleans

TENNESSEE

AutoZone Liberty Bowl -- Memphis
Gaylord Hotels Music City Bowl -- Nashville

GEORGIA

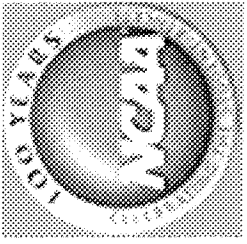
Chick-fil-A Bowl -- Atlanta

IDAHO

mpc computers Bowl - Boise

NEVADA

Pioneer Purevision -- Las Vegas



NCAA Accreditation Process

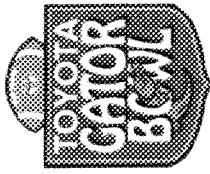
New Bowls

- Submit application to NCAA by April 1st, including details of how bowl will be managed & promoted, and that organization has experience/ability to put on the game.
- Secure irrevocable line of credit payable equal to team payouts plus 25% to NCAA to guarantee finances
- Meet with NCAA Post-season committee
- Secure TV network & stadium contracts
- Guarantee minimum payout of \$750,000 per team

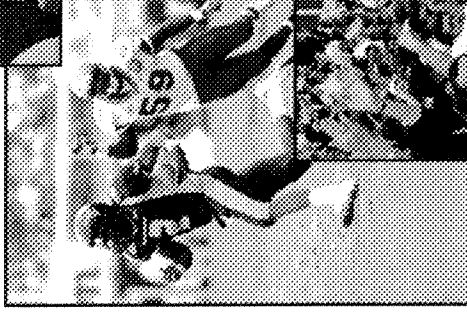
NCAA Accreditation Process cont.

Existing Bowls recertification process

- Bowls must submit application to NCAA for re-certification each spring
- Enter into contract annually that bowl will comply with NCAA principles and policies
- Provide audited financial report to NCAA
- Meet with NCAA Post-season committee annually
- Sell at least 25,000 tickets locally as required by NCAA
- Secure irrevocable line of credit payable to NCAA if bowl less than 4 years old or per-team payout less than \$1 million
- Pay annual licensing fee of \$12,000 to NCAA



Toyota Gator Bowl



History

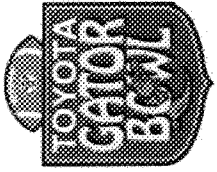
- Gator Bowl Classic game and events recently celebrated Jacksonville's 60 year family tradition.
- The game has showcased many of college football's biggest names including Heisman Trophy winners George Rogers, Pat Sullivan, Earl Campbell, and John David Crow.
- Outstanding players such as Dan Marino, Michael Vick, Thurman Thomas, Archie Manning, Larry Csonka, and Peyton Manning are also part of the Gator Bowl Mystique.
- The Gator Bowl has also featured many of America's best coaches including Bobby Bowden, Steve Spurrier, and Vince Dooley.

Interesting Facts/Figures

- 6th oldest bowl game
- First bowl game ever televised coast to coast
- Teams from our conference tie-ins over the last 10 years:
 - Played in 6 National Championship Games
 - Won 4 National Championships
 - One or more teams finished ranked in the top 5 every year

Conference Tie-Ins

- ACC v. Big East, Big Twelve, Notre Dame



Toyota Gator Bowl

Television Partner

- NBC
- National audience of 8+ million viewers

Economic Impact

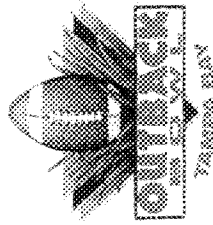
- 30,000 out-of-town visitors
- 2 night / 3 day average stay
- \$14 – 18 million direct spending into local economy
- \$40+ million overall economic impact to Northeast Florida

Charity Work

- The Gator Bowl Association is a 501c3 not-for-profit charitable organization.
- 75% of all revenue goes to support education.
- Florida's First Coast schools receive a portion of special ticket revenue to support in-school programs.
- The annual Take-a-Child to the Game program is an effort to provide local youth with the opportunity to experience the Toyota Gator Bowl game by providing them tickets which were purchased by various companies and individuals in support of the program.
- Pop Warner and Take Stock in Children receive scholarships.

TV Ratings

- 4.6 Average Nielson rating over the last 5 years



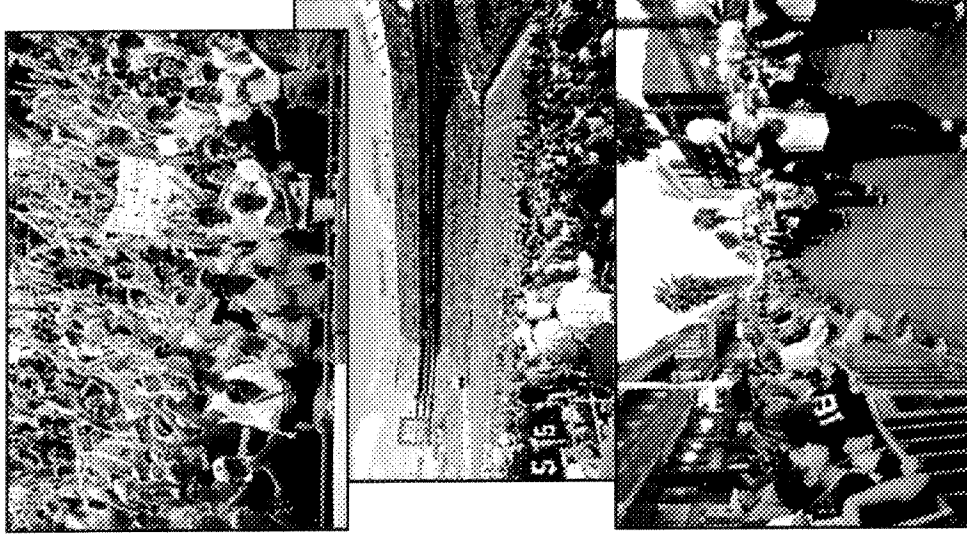
Outback Bowl

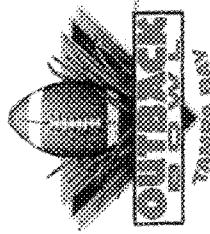
History

- The game has celebrated 20 years in Tampa
- Has an 18 year tradition as a "New Year's Day" bowl
- Almost 500 bowl alumni have gone on to the NFL, including 63 first-round picks
- Eight coaches have won at least one national championship and thirteen have been named "Coach of the Year" at least once.
- Has paid out \$64 million to NCAA schools
- Has generated at least \$500 million in economic impact (excluding exposure)

Interesting Facts/Figures

- Five Sellout Crowds of 65,000+ in past 6 years
- No Other Annual Event/Conference brings more visitors and generates more hotel room nights for the Tampa Bay Area
- 2006 Bowl attracted more than 40,000 out-of-market visitors from 43 states and Canada
- An average of more than 520 media credentialed each year
- Broadcast on 175+ radio affiliates throughout the U.S.
- Bowl web site generated more than 2.4 million page views around this year's game.
- Outback Steakhouse is 2nd longest title sponsor in college bowl game history
- Typically 85% of fans surveyed plan to return to Tampa within 3 years





Outback Bowl

Conference Tie-Ins

- Big Ten v. SEC -- the two most popular conferences in college football for the past 20+ years

Television Partner

- ESPN

Economic Impact

- Conservatively \$30.2 million* annually
- Millions of dollars in annual media exposure
- Exposing tens of thousands of fans to our destination
- Bolster tourism industry during slowest time of year

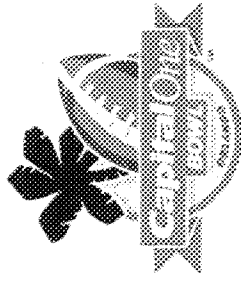
Charity Work

- 501-C3 Non-for-profit association
- Donate more than \$100,000 in game tickets to area charities for fundraising purposes.
- Charitable organizations raise an average \$75,000 working concessions, merchandise booths at the game.

TV Ratings

- Typically one of the highest rated programs on ESPN each year. An average of 10 million U.S. viewers over a four hour period.
- International Telecast to as many as 100 foreign countries.
- Half-hour TV special aired nationally on ESPN produced by the Outback Bowl to promote area amenities/attractions.

* From 2001 study by Bonn Market research Group.



Capital One Bowl

History

- Recently completed its 60 Year celebration
- Established in 1946 by the Elk's Club to benefit Harry Anna Children's Hospital
- Currently benefits the FCS Foundation, the charitable arm of Florida Citrus Sports

Interesting Facts/Figures

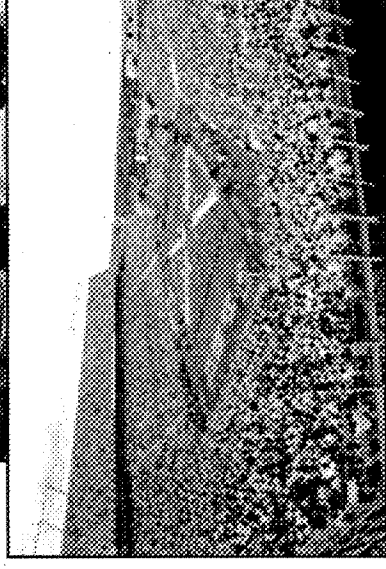
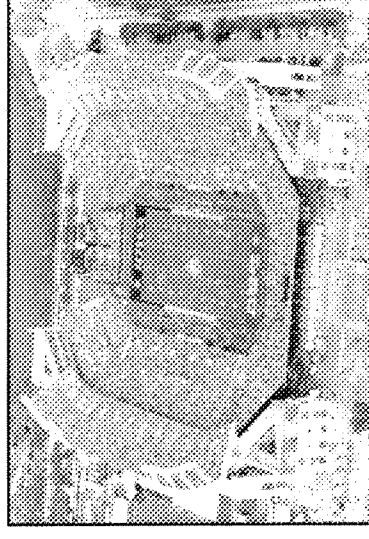
- Total payout of \$10.5 M (2006) is highest of all non-BCS bowl games

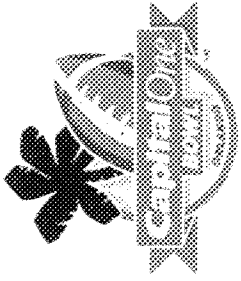
Conference Tie-Ins

- Big Ten #1 vs. SEC #1 (picks after BCS)

Television Partner

- ABC Sports





Capital One Bowl

Economic Impact (2005 study)

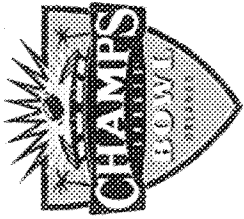
- \$42.3 Million impact
- The equivalent of 440 full-year jobs were created by the Capital One Bowl
- Generated an estimated \$5.4M in federal, state, and local taxes
- Estimated that 60,396 (86%) of the 70,229 attendees were non-local fans who traveled to Orange County from 29 different states

Charity Work

- FCS Foundation
 - Summer Camp; free academic, athletic, achievement camp for 450 disadvantaged youth in Orange and Seminole counties
 - First Lady Laura Bush visited camp in 2005, giving her endorsement to its results
 - Warren Sapp Computer Lab; free after school SAT/ACT training program; used by Summer Camp for academic enrichment

TV Ratings

- 2006: 5.18
- 2005: 5.5
- 2004: 8.0
- 2003: 5.9
- Avg: 6.145



Champs Sports Bowl

History

- Originally played in Miami, Fla., as the Blockbuster Bowl
- Moved to Orlando in 2001 as the VISIT FLORIDA Tangerine Bowl
- Bradenton, Fla., based Champs Sports became title sponsor in 2004
- Currently benefits the FCS Foundation, the charitable arm of Florida Citrus Sports

Interesting Facts/Figures

- Nation's fastest growing bowl game as a result of recent negotiations
- 2005 game attendance a 45% increase over 2002
- Game will be played within four days of Capital One Bowl in each of the next four years, creating a weeklong football festival in Orlando with over 110,000 fans expected

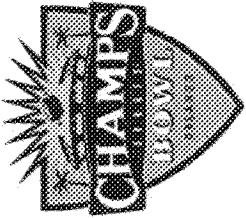
Conference Tie-Ins

- ACC #3 vs. Big Ten #3/4 (after BCS)

Television Partner

- ESPN





Champs Sports Bowl

Economic Impact

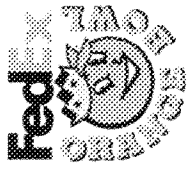
- Estimated \$20M historically
- Projected \$30-35M
- Estimated that 20,000 (63%) of the 31,470 attendees were non-local fans who traveled to Orange County

Charity Work

- FCS Foundation
 - College Scholarships; Donates more than \$27,000 annually to the most deserving senior football student-athletes at each high school in Orange, Seminole, Osceola counties
 - Play It Smart; Funds an academic coach at Oak Ridge High School to instill passion for academics
 - Dream Ticket Clearinghouse; free tickets to sporting events donated to deserving youth; Visits from bowl teams to disadvantaged/ill youth

TV Ratings

- 2005: 2.2
- 2004: 1.9
- 2003: 2.09
- 2002: 1.6
- Avg.: 1.9475



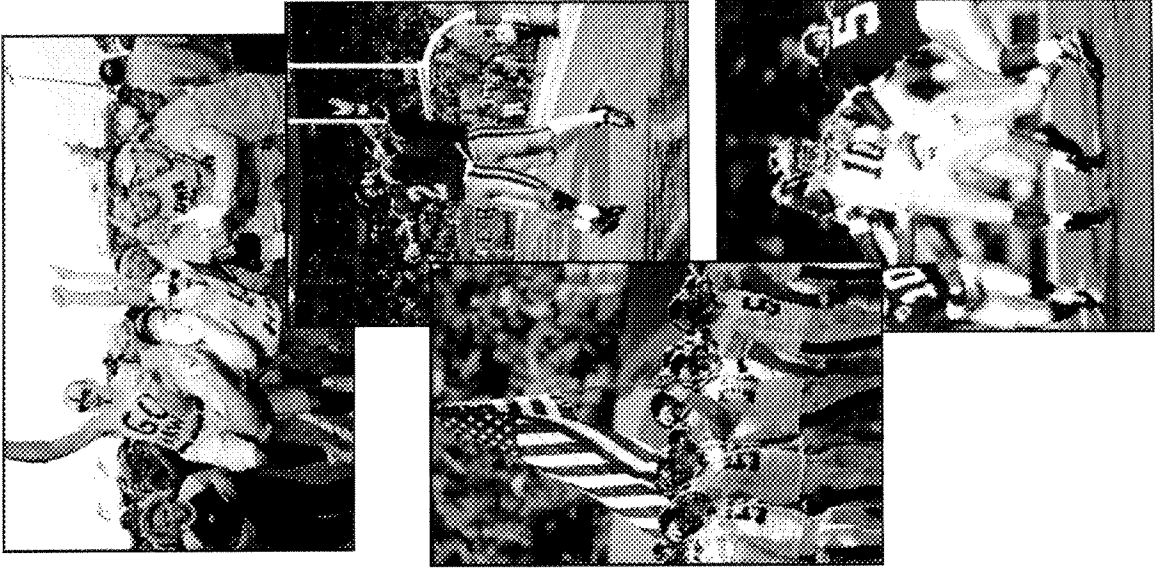
FedEx Orange Bowl

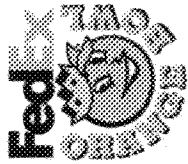
History

- Orange Bowl Committee created in 1935 with the mission to bring tourism to South Florida
- Began as the Palm Festival with a \$5,000 guarantee to the teams; Today, it is a year-round calendar of events called the Orange Bowl Festival
- In 1998, joined the Sugar, Rose, and Fiesta bowls to form the Bowl Championship Series, rotating the Championship Game among these bowls
- Starting with the 2007 FedEx Orange Bowl, the game will be televised by the FOX Network for the four-year term of the current BCS contract

Interesting Facts/Figures

- 18 National Champions have been crowned in the FedEx Orange Bowl; most recently the University of Southern California in the 2005 FedEx Orange Bowl National Championship
- The Orange Bowl has seen an impressive 14 Heisman Trophy winners play in the game, with winners Matt Leinart (2004) and Reggie Bush (2005) of USC facing Jason White (2003) of Oklahoma in the 2005 game.
- Sold out a record six straight years dating back to the 2001 FedEx Orange Bowl National Championship game





FedEx Orange Bowl

Interesting Facts & Figures (cont.)

- The 2nd oldest Bowl game with the Sugar Bowl and only behind the Rose Bowl

Conference Tie-Ins

- ACC v. BCS At-Large

Television Partner

- 1998 – 2006 ABC Sports
- 2007 – 2010 FOX

Economic Impact

- National Championship – approximately \$200 million
- FedEx Orange Bowl - \$140 million

Charity Work

- Donates \$100,000 annually into South Florida through the Orange Bowl Foundation
- Recently gifted in 2005-06 in upwards of \$222,000 to several relief efforts following the devastation of Hurricane Katrina
- In 1999, Orange Bowl Committee and various youth football leagues throughout three counties joined forces to create the Orange Bowl Youth Football League (OBYFL). The league has continued to grow throughout Greater South Florida, with six current leagues that expand into seven counties, with over 10,000 participants.

TV Ratings

- National Championship 17.8
- FedEx Orange Bowl 12.3

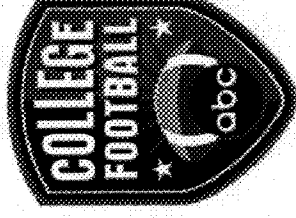
Florida Bowls' Economic Impact

- Toyota Gator Bowl \$ 40 million
- Outback Bowl \$ 30.2 million
- Capital One Bowl \$ 42.3 million
- Champs Sports Bowl \$ 20 million
- FedEx Orange Bowl \$ 140 million

Annual Economic Impact:
\$272.5 million

Florida Bowls' Television Ratings

- Combined TV ratings for the Florida Bowls for this past season (05 - 06) was 25.1.
- 27.7 million households or 69 million viewers.



Florida Bowls' Tourism Impact

Toyota Gator Bowl

• Total Out of Market Visitors 42,823 Champs Sports Bowl Total Out of Market Visitors 21,573

Outback Bowl

• Total Out of Market Visitors 37,983 FedEx Orange Bowl Total Out of Market Visitors 40,750

Capital One Bowl

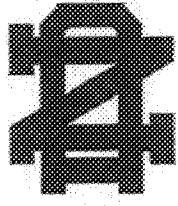
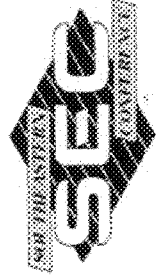
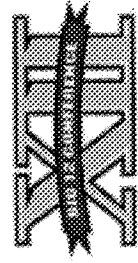
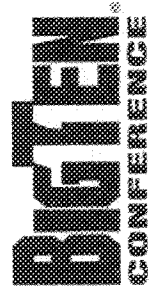
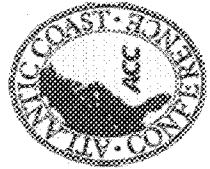
• Total Out of Market Visitors 55,074

- Information based on a 4 year average

Total Tourism Impact:

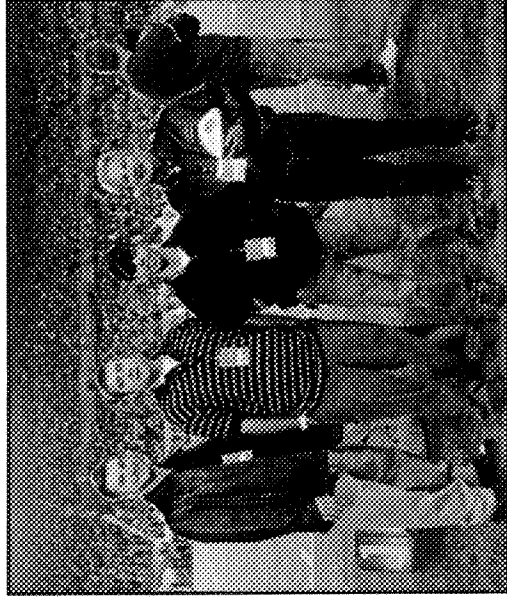
198,203 Out of Market

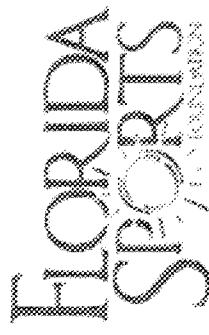
Visitors Annually



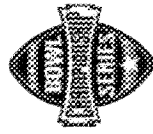
VISITFLORIDA Partners – VISIT FLORIDA

- See For Yourself Promotion in 2005
- Dr Pepper ACC Championship Road Tour Sponsor





Partners – Florida Sports Foundation

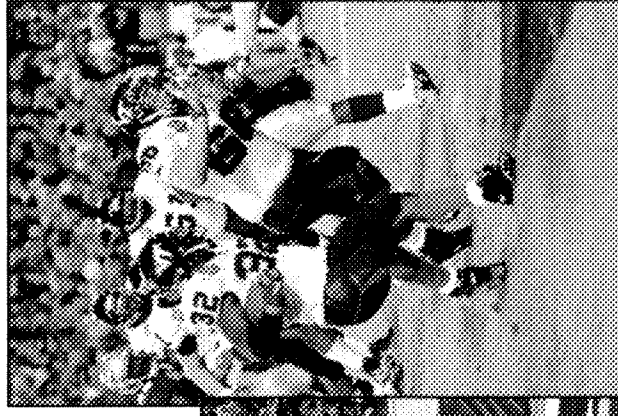
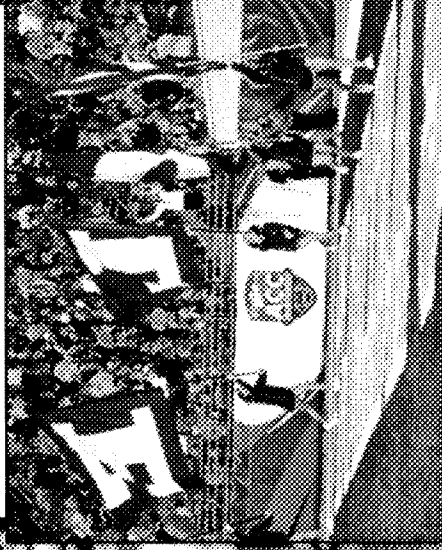
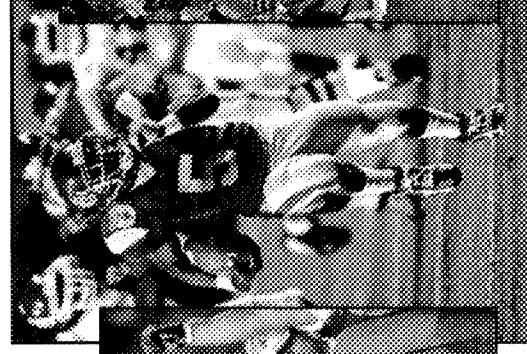
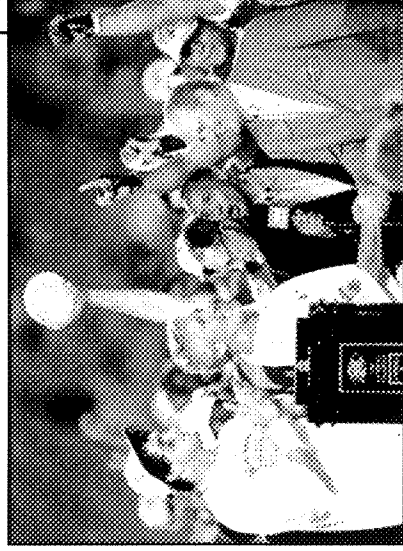


BCS National Championship Game



Dr Pepper ACC Football Championship Game

VISIT FLORIDA Tangerine Bowl



Additional College Football Games



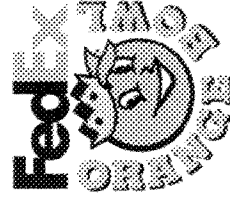
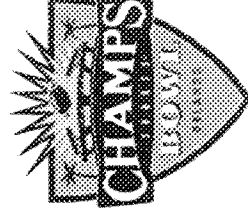
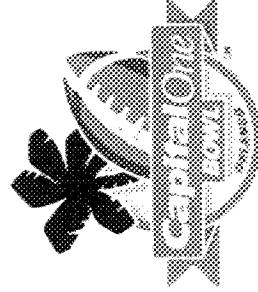
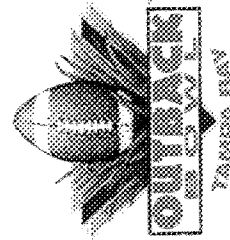
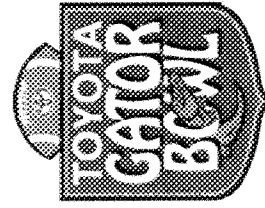
2007 – FSU v. Alabama
ALLTEL Stadium
Jacksonville, FL



2007 – 2008 – Dr Pepper ACC Football Championship
ALLTEL Stadium
Jacksonville, FL



2009 – National Championship
Dolphins Stadium
Miami, FL



Expanded 12 game college football regular season schedule

Division of Hotels and Restaurants Improves Operations But Not Meeting Inspection Goals

House Tourism Committee

Linda Vaughn
Senior Legislative Analyst
February 7, 2006

Presentation Overview

- Inspection process has improved over past decade
- Inspections are not conducted as frequently as required by law
- Division sanctioning system is overly burdensome
- Website and performance measures need improvement

Quick Facts

42,000

Food Establishments

36,000

Public Lodging Facilities

Restaurants

Hotels

Theme Park Food Carts

Motels

Caterers

Apartments

Mobile Food Dispensing
Carts and Vehicles

Rooming Houses

Vending Machines

Bed and Breakfasts

Temporary Events
(e.g., seafood festivals)

Resort Condominiums
and Dwellings

Quick Facts

(continued)

No general revenue is
used to fund this program

● ●

Program History and Earlier

OPPAGA Findings

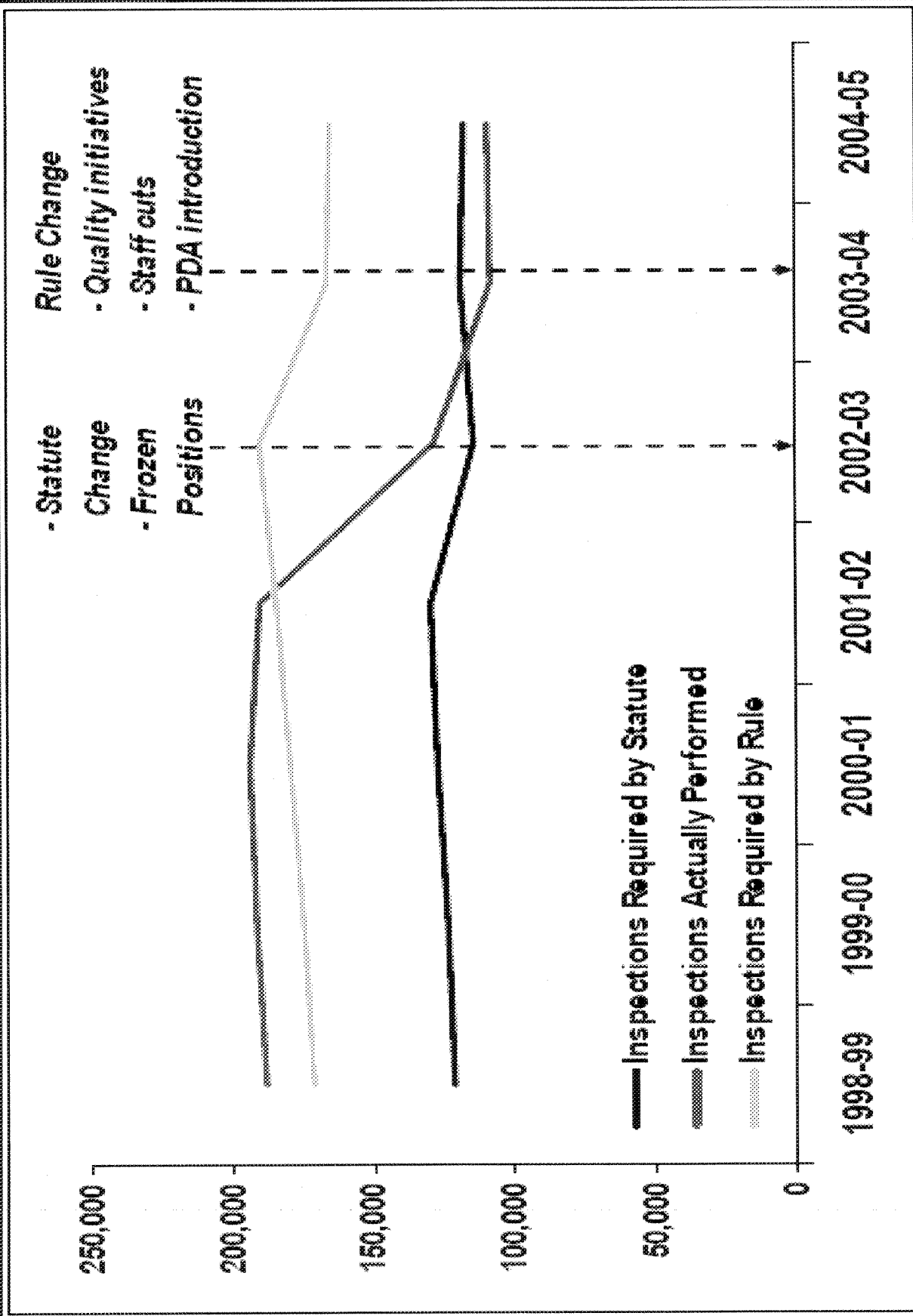
- In the past, OPPAGA was called upon to review the division for various reasons
- 1996-98 reviews found that the division was
 - Using outdated technology
 - Not identifying repeat violators
 - Not tracking how frequently each establishment was inspected

Significant Improvements Over the Past Decade

- Adoption of the of the FDA Food Code;
FDA certification of key staff
- New information technology system
- Recipient of 30 Davis Productivity
Awards

Problems Remain - Failure to Inspect According to Law and Rule

- Since 2002-03, the division has not inspected according to statute and rule
- 78% of lodging, 68% of apartments, and 6% of food establishments were not inspected according to statute in 2004-05



Three Factors Contribute to Failure to Inspect

- Quality initiatives – on-the-spot corrections of critical violations
- Positions frozen then cut
- Hand held computers, as part of a larger technology initiative

At Current Productivity Levels the Division Is Short Inspectors

- In FY 2004-05, 11 more inspectors were needed to meet the law and 61 were needed to meet administrative rule
- Hiring 11 inspectors would require a 3% increase in total revenues--\$600,000

● ● If Failure to Inspect According to Law Persists, Two Options Exist

- Modify fees and use revenues to hire more inspectors
- Seek legislative change to conform to current inspection frequency

Florida's Fees Are Lower Than Those of Other Jurisdictions

Restaurants

Florida:

\$262 – \$357

Atlanta:

\$200 – \$400

San Antonio: \$113 – \$1,133

San Diego:

\$423 – \$1,278

Lodging

Florida:

\$190 – \$370

Atlanta:

\$200 – \$400

Las Vegas:

\$250 – \$3,750

San Diego:

\$120 + \$3 per
unit over 3

Florida's Fees Are Lower Than Those of Other Jurisdictions

Plan Review

Florida: \$150

Atlanta: \$200 – \$400

Tucson: \$382

Las Vegas: \$220 + \$1.10
per seat

Re-inspection Fee

Florida: \$0

San Antonio: \$36.05 – \$103

Central \$82 per critical
Michigan: violation

● ● ●

Reduce Requirements by Changing Statute

- Continue to inspect food establishments twice a year per FDA, but...
- Amend statute to inspect lodging and apartments only upon a complaint
- However, some disadvantages remain....

Sanctioning System Is Overly Burdensome

- Division uses standard compliance techniques – fines, training, and license suspension or revocation
- However, licensee required to waive rights to a hearing before they are informed of the sanction

Practice Is Expensive and Discourages Cooperation

- Licensee's refusal to waive rights triggers involvement by division compliance staff, pre-hearing staff, DBPR attorney, and DOAH
- Food program at the Department of Agriculture provides a better model – more streamlined, uses fewer staff

Website Not Consumer-Friendly

- Excellent industry information
 - Advisory bulletins, policy changes, newsletters
- Poor display of consumer information
 - Difficult to navigate, industry jargon, too many options

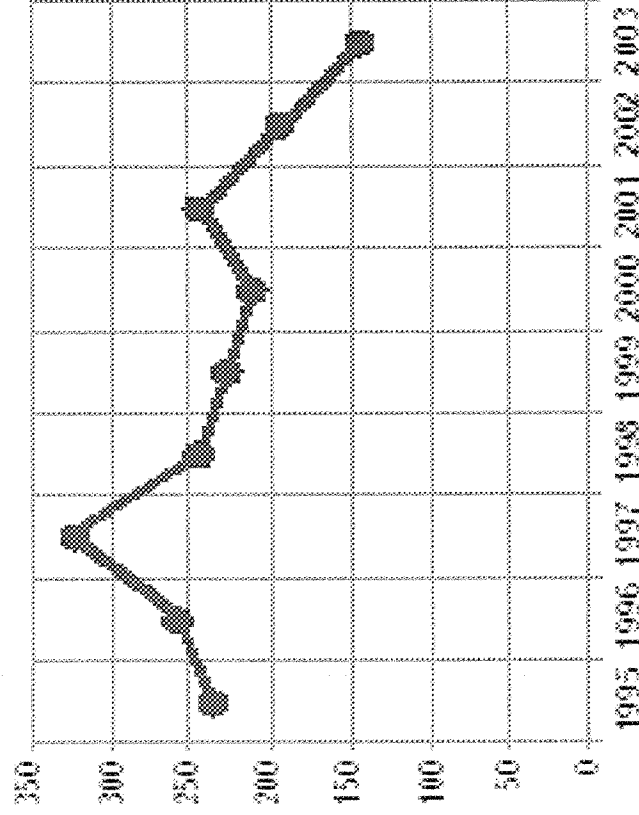
● ● Performance Measures Do Not Reflect Core Mission

Two outcome measures

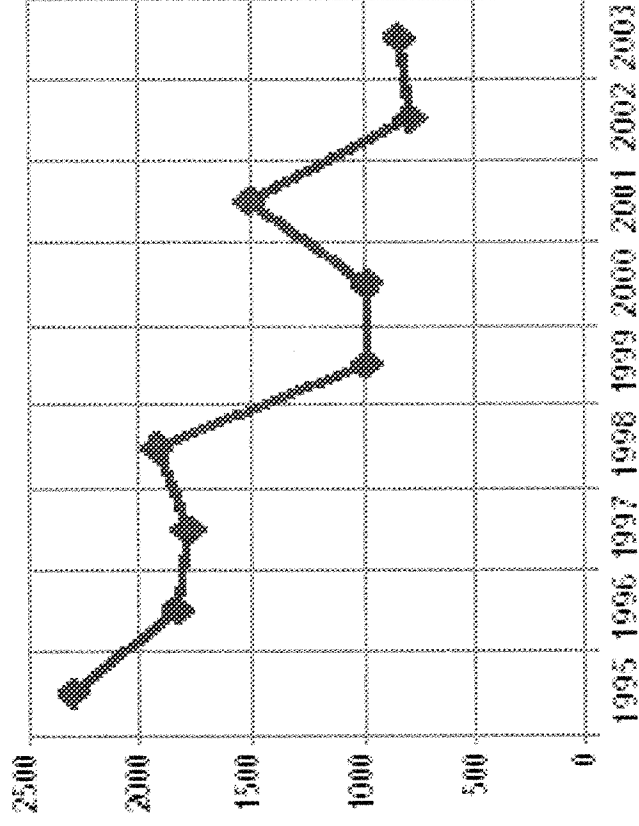
- Percentage of licensees in compliance with all laws and regulations
- Percentage of licenses processed in 30 days

Outbreaks and Cases of Foodborne Illness Are Better Measures of Division Performance

Outbreaks of Foodborne Illness



Cases of Foodborne Illness



Source: Florida Department of Health.

Recommendations

- Re-tool and re-evaluate hand-held computers
- Increase revenues to hire more inspectors if workload demands cannot be realistically met
- Streamline the enforcement process

Recommendations

(continued)

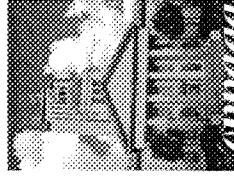
- **Develop a website with better consumer access**
- **Adopt performance measures more reflective of core mission—e.g., cases and outbreaks of foodborne illness**

For Additional Information

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Senior Analyst - 487-9216

Kara Collins-Gomez
Staff Director - 487-4257

Report available online at:
www.oppaga.state.fl.us/reports/govt/r05-51s.html



Office of Program Policy Analysis & Government Accountability

OPPAGA supports the Florida Legislature by providing evaluative research and objective analyses to promote government accountability and the efficient and effective use of public resources.